

2011 Property Tax Report

Cass County

with Comparisons to Prior Years



Legislative Services Agency

September 2011

This report describes property tax changes in Cass County between 2010 and 2011, with comparison to changes since 2007. In 2011, the changes from the big tax reform of 2008 were fully phased in with the elimination of the last of the state homestead credits. The 2009 recession affected assessments and local tax credits in many counties. Changes in local levies and assessments also were important in many counties.

Comparable Homestead Property Tax Changes in Cass County

	<u>2010 to 2011</u>		<u>2007 to 2011</u>	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
Summary Change in Tax Bill				
Higher Tax Bill	6,429	69.4%	431	4.7%
No Change	878	9.5%	76	0.8%
Lower Tax Bill	1,960	21.2%	8,760	94.5%
Average Change in Tax Bill	5.4%		-38.0%	
Detailed Change in Tax Bill				
20% or More	1,107	11.9%	185	2.0%
10% to 19%	2,540	27.4%	101	1.1%
1% to 9%	2,782	30.0%	145	1.6%
0%	878	9.5%	76	0.8%
-1% to -9%	1,060	11.4%	310	3.3%
-10% to -19%	315	3.4%	654	7.1%
-20% to -29%	130	1.4%	1,384	14.9%
-30% to -39%	69	0.7%	2,045	22.1%
-40% to -49%	58	0.6%	1,960	21.2%
-50% to -59%	35	0.4%	741	8.0%
-60% to -69%	46	0.5%	345	3.7%
-70% to -79%	23	0.2%	256	2.8%
-80% to -89%	28	0.3%	239	2.6%
-90% to -99%	25	0.3%	190	2.1%
-100%	171	1.8%	636	6.9%
Total	9,267	100.0%	9,267	100.0%

Note: Percentages may not total due to rounding.

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LOSS OF STATE HOMESTEAD
CREDIT AND LOWER LOCAL
CREDIT FOR HOMESTEADS
INCREASED HOMEOWNER
TAX BILLS

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Homestead Property Taxes

Homestead property taxes increased 5.4% on average in Cass County in 2011. This was slightly more than the state average of 4.4%. Cass County homestead taxes were still 38.0% lower in 2011 than they were in 2007, before the big tax reform. The homestead tax increase in 2011 was partly due to the phaseout of the state homestead credit in 2011. The state homestead credit was 4.6% in Cass County in 2010. In addition, Cass County eliminated a 21.5% homestead property tax credit funded by local income taxes in 2011. This was replaced by a 15.2% credit for all property, funded by a newly adopted local income tax. The slightly lower credit for homesteads added to homestead tax bills. Few homeowners in Cass are eligible for tax cap credits, because of the tax relief provided by the local tax credits.

Tax Rates

Property tax rates increased in most Cass County tax districts. The average tax rate increased slightly, by 0.9%. In Cass County in 2011 both the levy and net assessed value declined. Levies in Cass County decreased by 2.4%. The decrease was due to a drop in Logansport School Corporation debt service and capital projects levies. This drop was partially offset by increases in several funds of the Southeastern School Corporation and the county government. Cass County's total net assessed value decreased 1.5% in 2011. (The certified net AV used to compute tax rates declined by 3.3%.) Homestead net assessments decreased by 1.0%. Other residential and business assessments fell by about 4% each, and apartment net assessment value dropped 9.9%. Agricultural net assessments showed the only increase, by 2.3%.

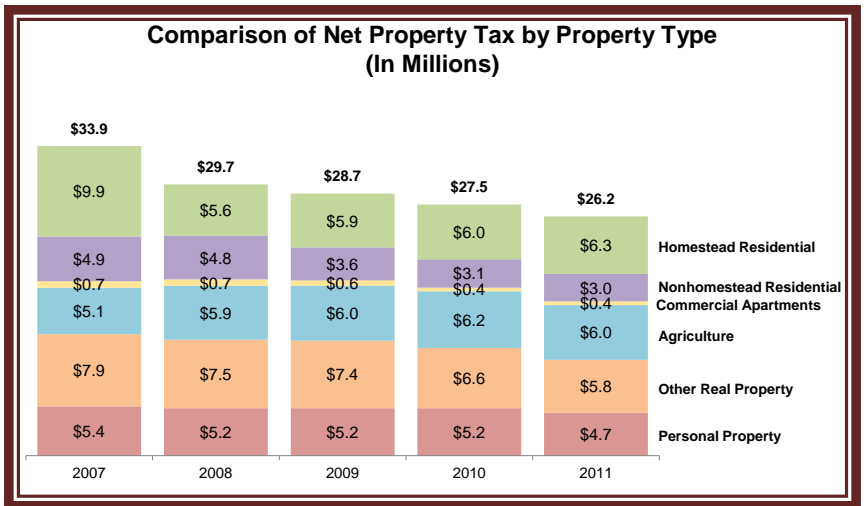
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**NONHOMESTEAD TAXES DECREASED DUE TO
THE REDISTRIBUTION OF LOCAL TAX CREDITS**

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Net Tax Bill Changes - All Property Types

Net tax bills for all taxpayers fell 4.7% in Cass County in 2011, less than the statewide increase of 2.8%. Other residential property, which includes smaller rentals and second homes, saw net tax bills decrease by 1.8%. Tax bills for commercial apartments fell 9.6%. Business tax bills - which include commercial, industrial and utility buildings, land and equipment, fell by 10.5%. Agricultural tax bills decreased 4.5%, despite the 3.2% increase in the base rate assessment of farm land, from \$1,250 to \$1,290 per acre for taxes in 2011. These relatively large reductions in tax bills reflected the added local property tax replacement credits, funded by a new local income tax. Declining assessed values also affected all property types except agriculture.



Tax Cap Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

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**TAX CAP CREDITS DECREASED
SUBSTANTIALLY IN 2011,
BECAUSE OF THE NEW LOIT-
FUNDED LOCAL CREDITS**

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Total tax cap credit losses in Cass County were \$3.6 million, or 10.4% of the levy. This was more than the state average loss rate of 9.2%, and much more than the median value of 3.8% among all counties. Tax rates are the main determinant of tax cap credits, and Cass County's tax rates are well above the state median.

Most of the total tax cap credits were in the 2% nonhomestead/farmland category and 3% business category. The largest percentage losses were in the city of Logansport, Logansport School Corporation, Eel Township, and Royal Center. The largest dollar losses were in Logansport City, Logansport Schools, and the county unit.

Cass County Tax Cap Credits	1%	2%	3%	Elderly	Total	% of Levy
2010 Tax Cap Credits	\$171,003	\$2,771,778	\$2,939,214	\$33,543	\$5,915,537	16.9%
2011 Tax Cap Credits	318,403	1,820,470	1,399,400	59,073	3,597,347	10.4%
Change	\$147,401	-\$951,307	-\$1,539,814	\$25,530	-\$2,318,190	-6.5%

Tax cap credits fell considerably in Cass County in 2011, by \$2.3 million, or 39%. The credit reduction

amounted to 6.5% of the total property tax levy. Decreases came in the 2% and 3% property categories, while the 1% homestead category saw an increase. Again, this was due to the new local credits funded by the local income tax. The resulting reduction in other residential and business tax bills reduced their tax cap credits. Homestead circuit breaker credits increased partly because of the loss of a local homestead credit and partly because of the loss of the state homestead credit.

The Effect of Recession

The 2009 recession appears to have reduced assessed values in Cass County for pay-2011. Business and other residential property values and construction activity in particular appear to have fallen in Cass County in 2009. Homestead assessments fell slightly. Agricultural assessments rose due to the rising assessments of farm land. This assessment decline did not increase tax cap credits, however, because of the drop in the Logansport Schools debt levy and the new LOIT-funded credits.

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**2009 RECESSION REDUCED
ASSESSMENTS IN 2011**

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Property Type	Gross AV 2010	Gross AV 2011	Gross AV Change	Net AV 2010	Net AV 2011	Net AV Change
Homesteads	\$977,999,800	\$968,850,850	-0.9%	\$353,154,771	\$349,643,769	-1.0%
Other Residential	129,629,900	124,363,150	-4.1%	128,240,156	122,976,474	-4.1%
Ag Business/Land	332,337,300	340,013,600	2.3%	331,675,364	339,289,182	2.3%
Business Real/Personal	580,928,490	532,516,460	-8.3%	435,340,200	417,243,168	-4.2%
Total	\$2,020,895,490	\$1,965,744,060	-2.7%	\$1,248,410,491	\$1,229,152,593	-1.5%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Cass County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	2011	%Change			
						2007 - 2008	2008 - 2009	2009 - 2010	2010 - 2011
County Total	45,682,114	44,198,745	33,218,547	34,326,121	33,503,466	-3.2%	-24.8%	3.3%	-2.4%
State Unit	31,985	33,377	0	0	0	4.4%	-100.0%		
Cass County	11,432,003	9,581,843	8,278,139	8,552,561	9,043,942	-16.2%	-13.6%	3.3%	5.7%
Adams Township	19,660	21,500	22,647	23,447	23,943	9.4%	5.3%	3.5%	2.1%
Bethlehem Township	28,193	28,954	29,914	30,838	31,522	2.7%	3.3%	3.1%	2.2%
Boone Township	38,801	39,665	40,348	41,304	42,042	2.2%	1.7%	2.4%	1.8%
Clay Township	68,973	71,644	75,180	77,846	79,238	3.9%	4.9%	3.5%	1.8%
Clinton Township	43,625	45,710	47,207	50,047	50,394	4.8%	3.3%	6.0%	0.7%
Deer Creek Township	41,150	43,251	44,634	46,680	48,022	5.1%	3.2%	4.6%	2.9%
Eel Township	288,262	298,647	315,753	328,077	333,297	3.6%	5.7%	3.9%	1.6%
Harrison Township	64,580	66,923	67,194	54,824	40,712	3.6%	0.4%	-18.4%	-25.7%
Jackson Township	35,885	37,392	39,070	40,749	41,604	4.2%	4.5%	4.3%	2.1%
Jefferson Township	28,668	29,441	27,358	29,567	27,518	2.7%	-7.1%	8.1%	-6.9%
Miami Township	29,524	122,722	193,137	217,091	208,101	315.7%	57.4%	12.4%	-4.1%
Noble Township	52,313	52,262	56,798	58,974	60,190	-0.1%	8.7%	3.8%	2.1%
Tipton Township	30,083	31,408	32,953	34,205	34,953	4.4%	4.9%	3.8%	2.2%
Washington Township	78,963	92,401	96,687	99,410	102,283	17.0%	4.6%	2.8%	2.9%
Logansport Civil City	7,806,172	7,702,260	7,602,311	7,996,934	8,005,432	-1.3%	-1.3%	5.2%	0.1%
Galveston Civil Town	227,304	247,781	229,886	249,329	258,449	9.0%	-7.2%	8.5%	3.7%
Onward Civil Town	8,253	8,976	8,990	9,128	9,097	8.8%	0.2%	1.5%	-0.3%
Royal Center Civil Town	158,929	158,456	172,131	174,755	183,134	-0.3%	8.6%	1.5%	4.8%
Walton Civil Town	133,203	138,122	143,214	147,240	151,800	3.7%	3.7%	2.8%	3.1%
Pioneer Regional School Corp	3,218,202	3,527,069	2,019,038	1,986,647	2,026,128	9.6%	-42.8%	-1.6%	2.0%
Southeastern School Corp	5,357,588	5,548,775	2,739,329	3,130,199	3,382,346	3.6%	-50.6%	14.3%	8.1%
Logansport Community School Corp	13,704,630	13,364,722	8,709,575	8,634,945	6,971,732	-2.5%	-34.8%	-0.9%	-19.3%
Caston School Corp	1,157,683	1,250,178	536,602	564,842	551,420	8.0%	-57.1%	5.3%	-2.4%
Logansport-Cass Public Library	854,626	889,262	920,225	955,118	979,725	4.1%	3.5%	3.8%	2.6%
Royal Center Public Library	68,292	71,382	73,809	75,809	78,365	4.5%	3.4%	2.7%	3.4%
Walton Public Library	153,473	163,379	154,936	156,796	156,276	6.5%	-5.2%	1.2%	-0.3%
Cass County Solid Waste Mgt Dist	0	0	0	0	0				
Logansport/Cass Co. Airport Authority	521,091	531,243	541,482	558,759	581,801	1.9%	1.9%	3.2%	4.1%
Cass County Fire District #1	0	0	0	0	0				

Cass County 2011 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	LOIT PTRC	Credit Rates					Net Tax Rate, Homesteads
				COIT	CEDIT	CEDIT	LOIT	LOIT	
				Homestead	Homestead	Residential	Homestead	Residential	
09001	Adams Township	1.6306	15.1605%	--	--	--	--	--	1.3834
09002	Bethlehem Township	1.6385	15.1605%	--	--	--	--	--	1.3901
09003	Boone Township	2.0613	15.1605%	--	--	--	--	--	1.7488
09004	Royal Center Town	3.6062	15.1605%	--	--	--	--	--	3.0595
09005	Clay Township	2.2672	15.1605%	--	--	--	--	--	1.9235
09006	Logansport City-Clay Township	4.2696	15.1605%	--	--	--	--	--	3.6223
09007	Clinton Township	2.2377	15.1605%	--	--	--	--	--	1.8985
09008	Deer Creek Township	1.9817	15.1605%	--	--	--	--	--	1.6813
09009	Eel Township	2.4634	15.1605%	--	--	--	--	--	2.0899
09010	Logansport City-Eel Township	4.3134	15.1605%	--	--	--	--	--	3.6595
09011	Harrison Township	2.0430	15.1605%	--	--	--	--	--	1.7333
09012	Jackson Township	1.9469	15.1605%	--	--	--	--	--	1.6517
09013	Galveston Town	2.9796	15.1605%	--	--	--	--	--	2.5279
09014	Jefferson Township	2.0163	15.1605%	--	--	--	--	--	1.7106
09015	Miami Township-Southeastern Schools	2.3158	15.1605%	--	--	--	--	--	1.9647
09016	Miami Township-Logansport Comm Schools	2.5702	15.1605%	--	--	--	--	--	2.1805
09017	Noble Township-Pioneer Regional Schools	2.0651	15.1605%	--	--	--	--	--	1.7520
09018	Noble Township-Logansport Comm Schools	2.2608	15.1605%	--	--	--	--	--	1.9181
09019	Logansport City-Noble Township	4.2788	15.1605%	--	--	--	--	--	3.6301
09020	Tipton Township	2.0261	15.1605%	--	--	--	--	--	1.7189
09021	Onward Town	2.6921	15.1605%	--	--	--	--	--	2.2840
09022	Walton Town	2.9019	15.1605%	--	--	--	--	--	2.4620
09023	Washington Township-Southeastern Schools	2.0262	15.1605%	--	--	--	--	--	1.7190
09024	Washington Township-Logansport Schools	2.2806	15.1605%	--	--	--	--	--	1.9348
09025	Logansport City-Washington Township	4.2873	15.1605%	--	--	--	--	--	3.6373
09026	Logansport City-Clinton Township	4.2825	15.1605%	--	--	--	--	--	3.6333
09027	Logansport City-Wash Township-SE Schools	4.0329	15.1605%	--	--	--	--	--	3.4215

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Cass County 2011 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Levy	Circuit Breaker as % of Levy
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total		
<i>Non-TIF Total</i>	318,403	1,800,967	1,320,550	59,073	3,498,995	33,503,466	10.4%
<i>TIF Total</i>	0	19,503	78,850	0	98,353	992,893	9.9%
<i>County Total</i>	318,403	1,820,470	1,399,400	59,073	3,597,347	34,496,359	10.4%
Cass County	62,654	327,525	235,365	16,031	641,575	9,043,942	7.1%
Adams Township	0	0	0	8	8	23,943	0.0%
Bethlehem Township	0	0	0	92	92	31,522	0.3%
Boone Township	39	366	27	54	487	42,042	1.2%
Clay Township	621	507	160	102	1,389	79,238	1.8%
Clinton Township	0	0	615	11	625	50,394	1.2%
Deer Creek Township	0	0	0	40	40	48,022	0.1%
Eel Township	4,626	23,333	14,488	521	42,968	333,297	12.9%
Harrison Township	0	0	0	14	14	40,712	0.0%
Jackson Township	25	289	0	57	372	41,604	0.9%
Jefferson Township	0	0	0	143	143	27,518	0.5%
Miami Township	4,026	967	0	492	5,485	208,101	2.6%
Noble Township	41	34	106	231	411	60,190	0.7%
Tipton Township	5	126	0	107	238	34,953	0.7%
Washington Township	0	53	1,668	83	1,804	102,283	1.8%
Logansport Civil City	130,487	823,155	645,033	13,171	1,611,846	8,005,432	20.1%
Galveston Civil Town	1,163	13,417	0	562	15,142	258,449	5.9%
Onward Civil Town	0	370	0	39	409	9,097	4.5%
Royal Center Civil Town	1,754	16,400	1,211	805	20,170	183,134	11.0%
Walton Civil Town	124	8,200	0	533	8,858	151,800	5.8%
Pioneer Regional School Corp	1,156	10,810	798	5,268	18,031	2,026,128	0.9%
Southeastern School Corp	1,629	22,468	15,781	5,764	45,642	3,382,346	1.3%
Logansport Community School Corp	98,203	490,144	360,961	10,720	960,027	6,971,732	13.8%
Caston School Corp	0	0	0	945	945	551,420	0.2%
Logansport-Cass Public Library	7,642	38,712	29,102	1,634	77,090	979,725	7.9%
Royal Center Public Library	140	1,313	97	125	1,675	78,365	2.1%
Walton Public Library	37	1,708	0	490	2,235	156,276	1.4%
Cass County Solid Waste Mgt Dist	0	0	0	0	0	0	
Logansport/Cass Co. Airport Authority	4,031	21,070	15,141	1,031	41,273	581,801	7.1%
Cass County Fire District #1	0	0	0	0	0	0	
TIF - Anderson Ethanol (007)	0	0	0	0	0	298,277	0.0%
TIF - Gateway 35 / 25 (010)	0	0	0	0	0	0	
TIF - East End (010)	0	13,162	17,649	0	30,811	149,663	20.6%
TIF - Logans Landing (010)	0	6,247	27,291	0	33,538	195,302	17.2%
TIF - Gateway 35 / 18	0	0	0	0	0	8	0.0%
TIF - Gateway 35 / 20	0	57	8	0	66	206	31.8%
TIF - Gateway 35 / 27 (027)	0	37	36	0	73	448	16.2%
TIF - Airport/ Industrial (027)	0	0	33,866	0	33,866	348,991	9.7%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.